MARKETBEAT
OKLAHOMA CITY
OFFICE Q1 2025

CUSHMAN & WAKEFIELD | COMMERCIAL OKLAHOMA

MARKET FUNDAMENTALS

	YOY Chg	Outlook
25.4% Vacancy Rate	▼	▼
269K YTD Net Absorption, SF	▲	▼
$19.78 Asking Rent, PSF	▲	▲

(Overall, All Property Classes)
(General Office Product above 10,000 SF, Non-Owner Occupied and Classes A, B or C)

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.9 M Oklahoma City Employment	▼	▼
3.3% Oklahoma City Unemployment Rate	▼	▼
4.2% U.S. Unemployment Rate	▲	▲

Source:BLS

ECONOMY:

Oklahoma City hosts a number of prominent companies, including Fortune 500 leaders Devon Energy, Continental Resources, and Love's Travel Stops, along with Fortune 100 tech firm Paycom. These key players in energy, retail, and technology showcase the city's expanding and diverse economy. While energy continues to be a foundational industry, OKC is experiencing strong growth in aerospace, technology, and manufacturing, with major expansions from companies like Boeing, Skydweller Aero, and Costco.

The city's favorable business climate, highly skilled workforce, and economic incentives—such as the Strategic Investment Program offered by the Oklahoma City Economic Development Trust—make it an attractive destination for employers. As a result, OKC consistently posts an unemployment rate below the national average. Population growth in Oklahoma and Canadian counties has also driven an 18% increase in the metro area since 2010, outpacing Tulsa's 11%.

DEMAND:

The Oklahoma City office market continues to fluctuate , with rising vacancies and fluctuating interest rates contributing to a cautious environment. As tenants continue to downsize—averaging around 2,500 square feet—larger office spaces are staying on the market longer than in the pre-pandemic era. Still, vacancy rates and average asking rents remain ahead of national averages, as seen in Q1 2025.

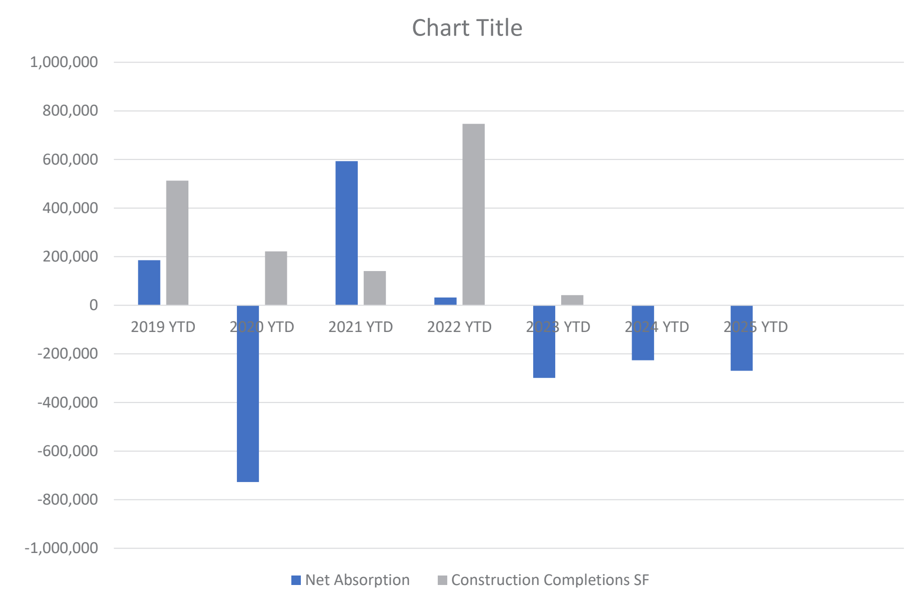
Demand is holding steady, particularly in the finance, tech, insurance, energy, and public sectors, which are largely concentrated in the North and Northwest submarkets. These areas account for over half of all leasing activity, thanks to a strong mix of options, easy access, and proximity to affluent, highly educated neighborhoods. Meanwhile, older buildings—especially those constructed before 1980—are seeing increased vacancy, as tenants favor modern, updated spaces with various amenities. The Northwest & Midtown submarkets lead in new development, with 115,000 square feet of office space currently under construction.

OUTLOOK:

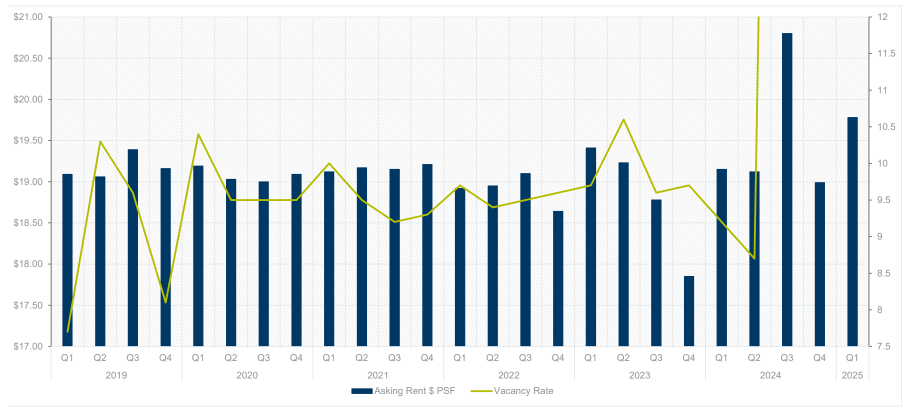
Oklahoma City's office market continues to favor tenants, with rising inventory and stagnant demand keeping rent growth flat. Slow absorption has led landlords to offer increased tenant improvement packages—nearly double pre-pandemic levels—and added concessions to drive occupancy.

Weakened demand and high interest rates have further slowed deal activity, widened the pricing gap between buyers and sellers, and contributed to declining property values and higher cap rates. As supply continues to grow and demand remains inconsistent, landlords are increasingly open to negotiations, leading to modest gains in an otherwise cautious and evolving market.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
CBD	5,043,250	48,573	1,356,661	27.9%	-32,318	-32,318	15,269	0	$23.29	$26.24
Edmond	380,335	9,200	61,433	18.6%	-6,250	-6,250	0	0	$20.08	$22.29
Midtown	892,454	0	256,238	28.7%	-112,501	-112,501	0	0	$25.99	$30.36
Moore	113,137	0	32,433	28.7%	0	0	0	0	$18.51	-
Norman	568,055	0	123,513	21.7%	-2,490	-2,490	3,711	0	$18.87	$26.00
North	3,069,517	28,848	486,817	16.8%	-76,998	-76,998	26,257	0	$19.91	$21.99
Northwest	4,396,441	8,181	1,326,010	30.3%	24,493	24,493	10,028	115,000	$21.10	$26.10
South	260,116	0	75,207	28.9%	-298	-298	1,359	0	$11.25	-
West/Central	1,010,072	0	201,178	19.9%	-22,608	-22,608	0	0	$17.15	-
SUBMARKET TOTALS	15,733,377	94,802	3,919,490	25.5%.	-228,970	-228,970	56,624	115,000	$21.09	$25.66
OKLAHOMA CITY TOTALS	**14,671,850**	**85,602**	**3,702,111**	**25.4%**	**-269,216**	**-269,216**	**52,913**	**115,000**	**$19.78**	**$26.17**

**Rental rates reflect full service asking*

Disclaimer: The information provided is sourced from CoStar Group. While we strive to ensure the accuracy and completeness of the data, we do not guarantee its correctness. Readers should consider this information as a general guide and are encouraged to conduct their own research or consult a professional before making any real estate decisions.

KEY LEASE TRANSACTIONS Q1 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
1100 N Broadway Ave	CBD		15,168	New Lease
7919 Mid America Blvd	South	Mercy Health	12,188	New Lease
100 N Broadway Ave	CBD		10,840	New Lease
921 NE 23rd St	North		10,000	New Lease
8921 NW Expressway	Northwest		9,575	New Lease

**Renewals not included in leasing statistics*

KEY SALES TRANSACTIONS Q1 2025

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE /$ PSF
499 W Sheridan Ave	CBD	Sheridan Redevelopers, LLC/ 499 Sheridan Property, LLC	663,294	$65,000,000/$98.00
12301 N Kelley Ave	North	Market SSA, LLC/ Robert C Maslow	22,906	$5,800,000/$253.21
1300 N Walker Ave	Midtown	1300 Walker, LLC/ The Walker Building, LLC	22,572	$5,000,000/$221.51
228 Robert S Kerr Ave	CBD	Court Plaza, LLC/ Tradesman Architectural Studio	78,244	$3,038,500/$38.83
4334 NW Expressway	Northwest	Madrona NW Expressway, LLC/ Not Available	87,264	$2,750,000/$31.51

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